

Byron L. Dorgan

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He pressed federal agency to make decision:

DORGAN APPLAUDS DECISION TO IMPOSE MORATORIUM ON RAILROAD MERGERS

(WASHINGTON, D.C.) — U.S. Senator Byron Dorgan (D-ND), who has pressed vigorously for the federal Surface Transportation Board (STB) to impose a moratorium on railroad mergers, applauded the board's decision Friday to do just that. The decision puts the brakes on the proposed merger between the Burlington Northern and Santa Fe Railway Company and the Canadian National Railway Company, putting it on hold during the 15 month moratorium during which the board will review and revise its rules governing railroad mergers.

Dorgan testified before the STB on March 7, as it considered the proposed Burlington Northern - Canadian National merger. He not only argued against the merger, but called on the board to go further and establish a moratorium on all railroad mergers to allow the STB to evaluate the impact on consumers and shippers from the increasing concentration of the rail industry, which is already one of the most concentrated industries in the nation.

"This is a major victory for those who care about whether we are going to have any competition in the railroad industry," Dorgan said. "It is strong and welcome evidence that the STB is going to take a very hard look at the effect a proposed merger will have on competition and it ought to be a wake up call to railroads who already have a monopoly in a given area and think that means they can price gouge at will."

"The rules are changing in favor of market competition," Dorgan said "and that can only mean better pricing for shippers."

Dorgan is drafting legislation that would give the Justice Department's Anti-Trust Division authority to pass judgment on proposed mergers in the rail industry, in addition to the STB and he said that effort will continue. "I am enormously encouraged, however, by what the STB has done today."

"This is a first step but an important first step for those of us who have been pushing for more competition in this industry," Dorgan said.

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